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Research Article

The Role of Satisfaction Intervening of Halal Label on Purchasing Decision: Case Kapal Api Coffee

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Abstract

This research was conducted with the aim of examining the effect of the halal label on customer loyalty through purchasing decisions and customer satisfaction as a mediating factor. This research was designed as explanatory research. The population in this study was Kapal Api coffee customers in Kelapa Gading, with a total sample size of 120 respondents. The sampling technique used is non-probability sampling. Data collection was carried out using the survey instrument questionnaire method through the Google Form page. The data analysis method uses Partial Least Squares Structural Equation Modeling (PLS-SEM) using SmartPLS 4 software. The results show that the halal label has a positive and significant effect on customer loyalty; customer satisfaction does not affect customer loyalty; the effect of the halal label on customer loyalty is not mediated through customer satisfaction as a mediating factor; and purchasing decisions cannot partially mediate the relationship between halal labels and customer loyalty. The managerial implication of the research is the importance of strengthening marketing strategies that prioritize halal labels to increase customer loyalty. Management needs to ensure that all their products have clear and reliable halal certification while focusing on increasing customer satisfaction through product innovation and adequate service.

Keywords: Halal Label, Customer Loyalty, Purchase Decision, Customer Satisfaction

JEL Classification: M31, M39, Q13

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1. Introduction

Coffee is a drink that comes from seed plants, then processed, and can be enjoyed anywhere and anytime. This beverage product is in great demand from various groups. As technology develops, people no longer need to go to the trouble of manually roasting coffee beans and then grinding them just to get a brew of coffee. According to Pradika (2019), there are data report results obtained from the International Coffee Organization (ICO), where Indonesia is one of the countries that regularly enjoys coffee as seen from the results of annual data research. Data on demand for coffee prove this information in 2017 - 2018 in Indonesia, which is increasing in coffee consumption, namely by 4,700 packs. This data is also in line with production growth at the end of 2017, which reached 666,692 tons. The following coffee demand data can be seen in the image below as follows:



Figure 1. Coffee Consumption in Indonesia

Based on the picture above, due to the high demand, coffee has relatively increased every year from 2014 to 2018, making it an attraction in marketing coffee products, one of which is the legendary coffee until now, Kapal Api coffee. According to Andini (2013), Kapal Api coffee is one of the most popular coffees, so it is always top of mind for Indonesians; it is made from 100 percent real coffee beans and is brewed directly without leaving any dregs. It is known that coffee that has very high caffeine is not good for health because excessive caffeine contained in coffee, such as 100 percent robusta coffee, can cause negative side effects, including the risk of developing kidney stones, problems in pregnancy, and chronic kidney disease. Therefore, it is best to consume coffee that contains low caffeine because it has benefits, such as improving mood, reducing weight, and increasing concentration.

Manufacturers must be more convincing in terms of the ingredients and substances they offer and be honest with customers. In fact, if there are business actors who cheat with this, it is recommended that customers choose to switch to consuming drinks made from pure coffee when served alone without any alcohol mixed in so that it is clear that it is halal, such as Kapal Api coffee products made using 70 percent Arabica coffee and 30 percent Robusta coffee produces low caffeine. This finding can be seen from the business development of legendary products over time. The sales data in Table 1 regarding the Top Brand Index for Kapal Api coffee are as follows:

Table 1. Top Brand Index for the Ground Coffee Drink Category 2015 – 2022

Brand	2015	2016	2017	2018	2019	2020	2021	2022	2023
Steamer	43.7%	42.8%	43.8%	55.6%	60.7%	66.2%	62.4%	62.4%	62.8%
ABC	20.3%	14.3%	22.8%	16.3%	21.8%	13.3%	15.9%	15.2%	16.1%
Mongoose	16.9%	15.3%	11.4%	6.5%	11.6%	11.5%	14.7%	14.6%	16.8%
Torabica	6.6%	-	-	-	-	-	-	-	-

Source: https://www.topbrand-award.com/

Based on Table 1, it is known as reported by the Top Brand Index that the Kapal Api coffee brand always occupies first place every year from 2015 to 2022, however, if you look at the relative sales percentage, there are increases and decreases. Where there was a decline in 2016 of 0.9 percent and in 2022 by 3.8 percent; in this case, there is a difference with other brands, which actually experience instability in percentage from year to year and position. Regarding increased sales, customers not only pay attention to the price offered but also pay attention to quality and customer satisfaction so that they can attract customers' attention to buy and become loyal for a long period. Another connection causes Kapal Api coffee products to decline, with the circulating phenomenon causing customers to be influenced in terms of consuming Kapal Api coffee. Therefore, excessive consumption of coffee and caffeine can have a negative impact on the body's health. So, the decline that occurred in sales of Kapal Api coffee has a valid connection. The results of the data above were obtained from the Top Brand Index with a survey of known customers showing that customer

loyalty can be influenced by the halal label so that customers make purchasing decisions and customer satisfaction with Kapal Api coffee products.

In marketing, we are usually faced with product problems. However, the existence of these problems can certainly trigger customers to be more careful in choosing whether a product is halal or not so that they have the desire to be loyal. Customer loyalty is a customer loyalty support behavior that a business actor or company needs to be able to improve service quality, and customers who can be loyal will tend to buy more products (Delia et al., 2024). Widyaputri Tania and Soepatini (2020) state that a halal label that is printed and visible will certainly stimulate customers to produce positive opinions about the product and can lead to high purchasing decisions so that customer loyalty behavior can occur. According to Abelmar et al. (2024), the halal label is a necessity as a form of guarantee and protection for customers and also provides quality assurance for a product.

Damiati et al. (2021) state that purchasing decisions are thoughts where a customer can evaluate various options and decide on a product from among the many product choices. Therefore, in the purchasing decision process, there will be a post-purchase evaluation, which will lead to customer satisfaction. According to Widowati & Tsabita (2017) and Assidiki & Budiman (2023), customer satisfaction is a statement related to the inner self or desire in the heart by reflecting the buyer's plan to be able to determine and buy a certain brand within a certain period. There are also important factors in product sales that have been researched to produce customer satisfaction, which has a significant influence on customer loyalty.

2. Literature Review and Hypothesis

Theory of Planned Behavior

Meitiana (2017), there is a conceptual determining factor in the Theory of Planned Behavior or human behavior, namely attitudes towards behavior, subjective norms, and perceived behavioral control, which can assess or perceive objects as positive and negative. The Theory of Planned Behavior is based on assumptions about a person's behavior in which they wait for relevant information systematically, thereby highlighting attitudes and evaluations, and can refer to the possibilities that can be felt in the involvement of human behavior with the assessment and possible consequences obtained (Anggraini, 2024). Therefore, in this theory, studying a person's attitude, if a person displays positive behavior, they tend to have a positive attitude and vice versa (Achmad, 2010).

Customer loyalty

Yulia et al. (2019) argue that a positive marketing orientation can build good relationships with customers, create strong loyalty, and encourage customers to become the center of company culture. Customer loyalty shows a person's loyalty to a product or service based on consumer satisfaction and experience with the company. Hermanto (2019) and (Komara & Fathurahman, 2024) explain that customer loyalty is the tendency to continue buying products or services from a company as a form of commitment or loyalty. According to Tjiptono (2022), indicators of customer loyalty include repeat purchases, product subscriptions, love, and loyalty to products.

Halal Label

According to Nurlaela et al. (2021), a halal label is a marker on product packaging that shows that the product is halal. Budiman and Suyana (2021) emphasize that halal is especially related to food and drinks, indicating that these products can be consumed in accordance with Islamic teachings. Consumer awareness about halal products is increasing, so the halal label is useful for protecting consumers from the dishonest practices of producers. Consumer protection for halal products is important and is regulated by law, paying attention to the relationship between consumers and religious aspects. Halal labels on product packaging influence purchasing decisions, especially for Muslim consumers. There are four indicators of a halal label: images, writing, a combination of images and writing, and placement on the packaging (Bulan, 2016).

Buying decision

Purchasing decisions can be considered as a result of purchasing a product or service by evaluating to make a selection from what the company presents, both in terms of its products and services. Purchasing decisions are the stages that buyers go through in making choices about the products and services that consumers want to buy (Ningsih & Kurdi, 2023). According to Sfenrianto et al. (2018), there are four purchasing decision indicators, including the following: external influence, perceived low cost, payment experience, and interpersonal influence.

Customer satisfaction

Customer satisfaction is an emotional feeling that can feel like satisfaction, pleasure, relief, and so on. Satisfaction can be interpreted as a person's feeling of pleasure due to consuming a product or service (Maghfur et al., 2023). Customers who are satisfied will, of course, be loyal customers for longer. There are four indicators of customer satisfaction, including the following: suitability of expectations to repurchase, creating word of mouth, creating a brand, and creating purchasing decisions.

Hypothesis

Halal Label on Purchasing Decisions

The halal label has a significant influence on purchasing decisions because it gives customers confidence in the halalness of the product. This label is especially important for brands that are well-known in the community because they can attract customer interest. Therefore, halal products are not just about taste, but also play an important role in purchasing decisions. According to Bulan (2016), the halal label is not only an Islamic religious issue but also a global issue in product trade because it guarantees food quality. Research by Amin & Rachmawati (2020), Edi Wibowo & Diah Madusari (2018) show that the halal label has a positive and significant effect on purchasing decisions. This finding confirms that halal labels play an important role in meeting customer needs and desires. This information provides a comprehensive picture of the product's business opportunities.

H1: The halal label has a positive and significant effect on purchasing decisions

Halal Label on Customer Satisfaction

Halal labels can increase sales of food products and create customer satisfaction because they provide certainty and legal protection for consumers. With a halal label, customers feel confident and satisfied because the product meets their wishes and meets halal standards. The halal label provides complete information about the product and manufacturer, thus triggering customer satisfaction in purchasing marketed food products. In their research, Romdhoni et al. (2019) explained that halal labeling has a positive and significant effect on customer satisfaction. This finding is also in line with Hasib and Anwar (2020), showing that halal labels can have a positive and significant effect on consumer satisfaction. Customer satisfaction can be seen if the customer has purchased a product and met their needs.

H2: The halal label has a positive and significant effect on customer satisfaction

Halal Label on Customer Loyalty

The basic human need is food, which provides energy for activities. The importance of the halal label in food makes customers feel confident and loyal to the product, so they choose products that are labeled halal to ensure the validity and existence of correct information. Customers try to achieve their right to choose products by choosing those labeled halal as a guarantee of halalness and certainty of the information provided. According to Hasib and Anwar (2020), the halal label is very important for consumer safety when consuming food and can increase customer loyalty because it provides confidence and security. Anggraini & Suryoko (2018) and Tri Handayani et al. (2019) also stated that the halal label has a positive and significant effect on customer loyalty. This result is in line with the findings in Hasib and Anwar's (2020) research, which shows that the halal label has a positive and significant impact on customer loyalty.

H3: The halal label has a positive and significant effect on customer loyalty

Purchasing Decisions on Customer Loyalty

Customers form loyal behavior towards the products they consume based on their perceptions of these products, which are influenced by external and interpersonal information. When customers feel their needs are met by a product that meets their desires, they tend to buy the product repeatedly and recommend it to others. Personal experience also plays an important role in shaping customer attitudes and purchasing decisions, as well as creating loyalty to the product. Research by Ahmaddien & Widati (2019), and Prasetyo & Murti (2021) show that purchasing decisions have a positive and significant effect on customer loyalty. In conclusion, purchasing decisions can trigger customer loyalty towards the products they consume.

H4: Purchasing decisions have a positive and significant effect on customer loyalty

Customer Satisfaction on Customer Loyalty

According to Supertini et al. (2020), customer satisfaction is the attitude shown by customers towards the products they buy and use, with the hope of getting a positive experience that can trigger loyalty to the product. Research by Ulfa & Mayliza (2019), Rangga & Nalendra (2018), and Faizal & Nurjanah (2019) shows that customer satisfaction has a positive and significant influence on customer loyalty. In conclusion, customer satisfaction plays an important role in building customer loyalty towards the company and its products, which in turn can increase company sales and profits.

H5: Customer satisfaction has a positive and significant effect on customer loyalty

Halal Label on Customer Loyalty with Purchasing Decisions as an Intervening Variable

Based on the theories that have been put forward, customer loyalty is influenced by the halal label through purchasing decisions. Halal labels can attract customer attention and trigger loyalty behavior towards the products consumed. Low costs and personal or external influences can influence the purchasing process, where repeat purchases lead to feelings of loyalty to the product. The purchasing process involves more emotions than rational thinking, but both play an important role in purchasing decisions. Customers look for products that are guaranteed to be safe and satisfy their needs to build long-term loyalty. Research by Muhtarom et al. (2022), Bulan (2016), and Astuti & Hakim (2021) show that the halal label has a positive and significant effect on customer loyalty through purchasing decisions.

H6: The halal label has a positive and significant effect on customer loyalty and purchasing decisions as an intervening variable

Halal Label on Customer Loyalty with Customer Satisfaction as an Intervening Variable

According to theories from previous researchers, halal labels can influence customer loyalty through customer satisfaction. The halal label gives confidence to customers, making them feel confident and tend to choose the product consistently. Customer satisfaction is the result of a satisfactory experience in meeting customer needs, which in turn increases their loyalty to the product. Research by Anggraini & Suryoko (2018) and Fajar et al. (2022) shows that the halal label and service quality have a positive and significant effect on customer loyalty through customer satisfaction. In conclusion, customer satisfaction is formed when their expectations are met well, which can build a strong relationship between the provider or business actor and satisfied customers

H7: The halal label has a positive and significant effect on customer loyalty and customer satisfaction as an intervening variable

Conceptual framework

In this research, there is a conceptual framework, which is a model of how theories relate to various factors that have been identified as problems. Based on the theory above, it can be stated that there is a relationship between one variable and another variable, which will certainly use a variable as follows:

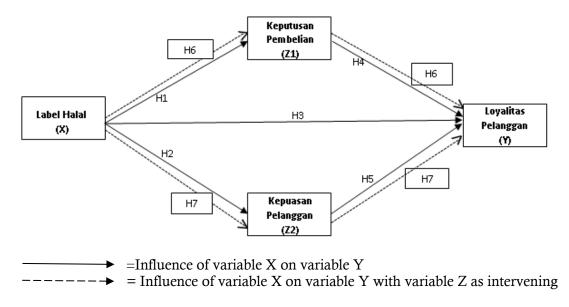


Figure 1. Model of how Theories Relate to Various Factors

3. Data and Methods

Types of research

The type of research used in this research is explanatory research. According to Zusrony (2021), explanatory research is a research method aimed at testing a theory or hypothesis to strengthen or reject existing theories or research results, deepen knowledge, and obtain information about things that are not yet known. This research is quantitative, using a survey method through a questionnaire or questionnaire as a research instrument (Wahyuddin et al., 2023).

Data Types and Data Sources

The type of data in this research uses primary and secondary data. Primary data that can be used in this research are the results of questionnaires. Secondary data used in this research can be taken from reference books, scientific journals and websites obtained.

Data collection technique

This research uses a survey method by distributing questionnaires to customers who have purchased Kapal Api coffee products. The sampling technique used is purposive sampling, where samples are selected based on certain considerations in accordance with predetermined criteria. The questionnaire includes dependent variables, independent variables, and intervening variables such as halal labels, customer loyalty, purchasing decisions, and customer satisfaction. Data obtained from the questionnaire will be used to see the influence and relationship between the variables studied (Santosa & Hidayat, 2014).

Population and Sample

The population in this study was Kapal Api coffee customers in Kelapa Gading. This research can be used with the type of research such as filling out a questionnaire that requires respondents to be adjusted to the number of indicators used and the appropriate sample size and the assumption that nx 5 observed variables (indicators) up to nx 10 observed variables per indicator. Based on the formula calculation resulting from the number of samples using the Hair formula above, if there are 16 indicators for all these variables, then they can be multiplied by 7 to get 112 respondents and rounded up to 120 respondents.

Data analysis technique

The data analysis method is an effort to process data into information so that the data criteria are easy to understand and useful for solving a problem. The method used in this research is the Partial Least Squares Structural Equation Modeling (PLS-SEM) method.

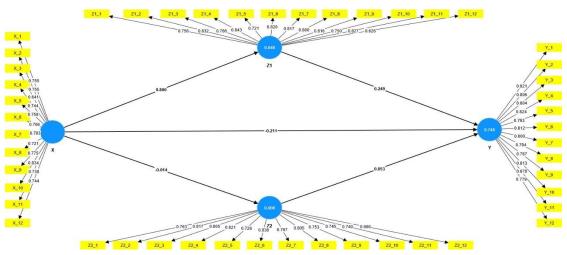
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4. Results

Evaluation of the Measurement Model (Outer Model)

Path Diagram Between Variables

In this research, the author used the PLS algorithm to test whether the model was suitable for testing its validity through the outer model so that the relationship between the variable indicators and the construct could be seen. The following is a picture of the structural model of the research variable path:



Source: SMARTPLS data processing results (2023)

Figure 2. Factor Loading Diagram

Outer Model Analysis Validity test

TestConvergent validity

In the validity test, Convergent Validity measures the magnitude of the correlation between constructs and latent variables. The validity test is carried out using the results of factor loading or outer loading of latent variables on the indicators. That way, if the value of Convergent Validity is >0.7, then all the indicators used have met the Convergent Validity requirements; however, at the scale development stage of research, a loading factor of 0.5 to 0.6 is still acceptable for a valid value (original value Sample) (Ghozali & Latan, 2015). The following are the SmartPLS output results, as follows:

Table 2. Outer Loading

Statement	Halal Label	Customer loyalty	Decision Purchase	Customer satisfaction
X_1 - X_12	0.641-0.834			
Y_1 - Y_12		0.678-0.824		
Z1_1 - Z1_12			0.626-0.843	
Z2_1 - Z2_12				0.680-0.838

Source: SMARTPLS data processing results (2023)

Based on the output results, several statement items do not meet the loading factor value of >0.7. So, the researcher carried out a validity test again by deleting items that did not meet the requirements. From the results obtained in the table above, the loading factor value was >0.7, so the construct met the criteria for Convergent Validity and was declared valid.

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Average Variance Extracted (AVE)

The AVE value describes the amount of variance or diversity of the manifest variables contained by the latent construct. The value that corresponds to the AVE criteria is >0.5, so this means that it can be said that Convergent Validity can work well (Ghozali & Latan, 2015). Here are the output results below:

Table 3. Average Variance Extracted (AVE)

Variable	Average Variance Extracted (AVE)
Halal Label	0.567
Customer loyalty	0.629
Buying decision	0.616
Customer satisfaction	0.601

Source: SMARTPLS data processing results (2023)

Based on the table above, the results from AVE show results that are in accordance with the specified criteria, namely >0.5 with each of the variables, and states that if it is greater than 0.5, it means that the item from the variable statement is the halal label, customer loyalty, Purchasing decisions, and customer satisfaction can be explained well and are trustworthy and valid.

Discriminant validity test

Discriminant validity can be seen from the cross-loading score, where the indicator value of a variable to the variable itself must be greater than the correlation of the indicator to other variables. The table of Cross Loading calculation results can be seen below:

Table 4. Cross Loading

	Halal	Customer	Buying decision	Customer
	Label	loyalty		satisfaction
X_1	0.755	-0.003	0.617	0.040
X_2	0.755	-0.048	0.564	-0.068
X_3	0.641	0.015	0.479	0.021
X_4	0.744	0.012	0.539	0.018
X_5	0.758	-0.120	0.673	-0.110
X_6	0.766	-0.101	0.617	-0.149
X_7	0.793	-0.065	0.580	-0.041
X_8	0.721	-0.089	0.594	-0.096
X_9	0.775	0.088	0.685	0.066
X_10	0.834	0.002	0.648	0.024
X_11	0.738	0.087	0.533	0.178
X_12	0.744	0.023	0.648	0.018
Y_1	-0.008	0.821	0.076	0.758
Y_2	-0.063	0.806	0.081	0.570
Y_3	-0.052	0.804	0.054	0.592
Y_4	0.086	0.824	0.150	0.710
Y_5	0.039	0.793	0.076	0.702
Y_6	-0.000	0.812	0.097	0.717
Y_7	-0.165	0.800	-0.081	0.649
Y_8	-0.008	0.794	0.021	0.675
Y_9	0.034	0.787	0.016	0.677
Y_10	-0.011	0.813	0.060	0.732
Y_11	-0.050	0.678	0.037	0.547
Y_12	-0.056	0.779	0.038	0.722
Z1_1	0.622	0.037	0.756	0.007
Z1_2	0.657	0.018	0.832	0.001
Z1_3	0.548	0.101	0.786	0.020
Z1_4	0.640	0.075	0.843	0.009
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Z1_5	0.527	0.176	0.721	0.094
Z1_6	0.734	-0.022	0.820	-0.088
Z1_7	0.714	0.011	0.817	-0.073
Z1_8	0.638	-0.049	0.800	-0.067
Z1_9	0.571	0.105	0.816	-0.050
Z1_10	0.700	0.097	0.750	0.013
Z1_11	0.638	0.080	0.827	-0.001
Z1_12	0.467	0.045	0.626	0.040
Z2_1	-0.002	0.634	0.010	0.763
Z2_2	0.001	0.752	-0.066	0.817
Z2_3	-0.017	0.748	0.030	0.805
$Z2_4$	0.028	0.730	-0.035	0.821
Z2_5	-0.005	0.662	0.012	0.726
Z2_6	-0.012	0.736	-0.002	0.838
Z2_7	-0.044	0.711	-0.010	0.797
Z2_8	0.017	0.585	-0.072	0.805
Z2_9	-0.015	0.580	0.003	0.753
Z2_10	-0.026	0.559	0.019	0.745
Z2_11	-0.008	0.585	-0.007	0.740
Z2_12	-0.057	0.568	-0.018	0.680
0 63.5	A D CEDT C. 1	1. (2022)	<u> </u>

Source: SMARTPLS data processing results (2023)

Reliability test

The instrument's reliability from the outer model can be measured using Cronbach's Alpha and Composite Reliability. According to Ghozali and Latan (2015), in reliability testing, a form of independent variable is declared suitable if it has Composite Reliability >0.7 and Cronbach's Alpha >0.7. The results of Cronbach's Alpha and Composite Reliability calculations are in the same table.

Table 5. Composite reliability and Chronbach Alpha

Variable	Cronbach's Alpha	Composite Reliability
Halal Label	0.930	0.933
Customer loyalty	0.946	0.948
Buying decision	0.943	0.947
Customer satisfaction	0.939	0.943

Source: SMARTPLS data processing results (2023)

Results p-tests based on Table 5 show that all measurement variables meet the required reliability criteria, both Cronbach's Alpha and Composite Reliability, where all variables have a score of more than 0.7. This research model is a reliable and valid *discriminant validity test*.

Test the Inner Model

Testing in structural model research or the Inner Model aims to determine the relationship between constructs, significant values, R-square (R²), Q-square predictive relevance (Q²), and Goodness of Fit (GoF) of a research model. In this analysis, bootstrapping and PLSpredict techniques in SmartPLS are used with a significance level of 0.05 because the direction of the relationship between variables is clear in the hypothesis.

Table 6. R-Square Measurement Results

	R-square	R-square adjusted
Y	0.748	0.742
Z 1	0.64	0.637
Z2	0	-0.008

Source: SMARTPLS data processing results (2023)

Based on the table output, the R-square value of the customer loyalty variable is 0.748, indicating that 74.8% of this variable is influenced by other variables in the model. Other factors outside the model influenced the remaining 25.2%. For the purchasing decision variable, the R-square value is 0.64, which indicates that 64% of the variability in purchasing decisions can be explained by halal label variability. Other factors outside the research model explain the rest.

Meanwhile, the R-square value for the customer satisfaction variable is 0.00 or 0%, indicating that customer satisfaction's contribution to the halal label is weak. This shows that other factors outside the model influence customer satisfaction more than the halal label.

Goodness of Fit Model Analysis

The Goodness of Fit Model test or fit and suitability test is used to test the predictability and feasibility of the model of the research variables, as well as the Goodness of Fit Model test, with the aim of validating the overall structural model. Therefore, in measuring it, there are 2 measurements for harmony in the research model, as follows:

Table 7. R-Square Measurement Results

Fit Models	Saturated Model	Estimated Model
SRMR	0.73	0.73
NFI	0.619	0.619
		0.017

Source: SMARTPLS data processing results (2023)

Based on the table above, the SRMR value can be used to see the fit of the research model, so the SRMR value in this study is 0.73, which can be said to meet the model fit requirements. Likewise, with NFI, it obtained a value of 0.619, which is close to 1, so it can be said that there is suitability in measuring the model.

Hypothesis Test Results

The hypothesis in this research can be known from model calculations using SmartPLS by looking at path coefficients which show parameter coefficients with significant t statistics for each relationship or path. The following will present the estimation output for testing the structural model:

Table 8. Research Hypothesis Testing Results

Track	T statistics (O/STDEV)	P values
Halal Label -> Purchase Decision	26,449	0.00
Halal Label -> Customer Satisfaction	0.141	0.888
Halal label -> Customer Loyalty	2,768	0.006
Purchase Decision -> Customer Loyalty	2,767	0.006
Customer Satisfaction -> Customer Loyalty	23,451	0.00

Source: SMARTPLS data processing results (2023)

Based on the output results, the halal label has a positive influence on purchasing decisions and customer loyalty. According to the results of the path coefficients, the calculated t value is greater than the t table, and the P value is less than 0.05. However, the halal label does not have a significant influence on customer satisfaction, which is indicated by the low t value and P value greater than 0.05. Apart from that, purchasing decisions also have a positive influence on customer loyalty, along with customer satisfaction, which also has a positive influence on customer loyalty, as proven by the results of relevant statistical analysis.

Mediation Test Results

The mediation test is carried out to analyze how strong the influence of interpersonal variables is, both in terms of direct influence, indirect influence, and total influence. The following can be described in the table below as follows:

Table 9. Indirect Effects

Track	T Statistics (O/STDEV)	P Values
Halal label -> Purchase Decision-> Customer Loyalty	2,685	0.007
Halal Label -> Satisfaction Customer->Customer Loyalty	0.142	0.887

Source: SMARTPLS data processing results (2023)

Table 9 shows that there is an indirect effect of the halal label on customer loyalty through purchasing decisions, with P values <0.05, indicating a significant effect. However, the indirect effect of the halal label on customer loyalty through customer satisfaction has a P value >0.05, which indicates there is no significant effect.

5. Discussion

The Influence of the Halal Label on Purchasing Decisions

The research results show that the halal label influences purchasing decisions, can means that hypothesis 1, which states that the halal label on purchasing decisions, can be accepted or proven. This result means that Kapal Api coffee customers. Research results have stated that the presence of a halal label on a product can generate customer interest in buying regularly, thus showing research results that the halal label has a positive and significant effect on purchasing decisions (Sukesti & Budiman, 2014; Ismail et al., 2022; Fahmi, 2017; Simanjuntak & Dewantara, 2014).

The Effect of Halal Labels on Customer Satisfaction

The research results show that the halal label does not affect customer satisfaction, so it can be concluded that the halal label is not a consideration for customer satisfaction. This result indicates that even though the majority of Indonesian people are Muslim, in their daily lives, they do not fully implement it when consuming products, so customers cannot look carefully or pay attention to whether the product they want to consume is haram or clearly halal. The results of this research are in line with research conducted by Laili & Canggih (2021) and Romdhoni & Prastiwi (2021) regarding the influence of halal labels and product quality on consumer satisfaction, the results of which show that there is a significant influence between halal labels and product quality.

The Effect of Halal Labels on Customer Loyalty

The research results show that the halal label affects customer loyalty. Apart from providing peace of mind and product assurance when consuming the product, Kapal Api coffee customers have trust and confidence, so customers have no doubts when subscribing to the product. As a form of legal protection for customers, the higher customer loyalty will be in consuming the product Kapal Api coffee. The results of this research are in accordance with the research that shows that the halal label has a positive and significant effect on customer loyalty and will increase customer purchase intentions, where the more customers purchase intent, the more likely they are to carry out this behavior to create loyalty, as well as the higher the halal label information given to customers, the higher the level of consumer loyalty in consuming the product (Grace Rawung et al, 2023; Hasib & Anwar, 2020; Tri Handayani et al, 2019).

The Influence of Purchasing Decisions on Customer Loyalty

The output results show that purchasing decisions have a positive and significant effect on customer loyalty. Suppose a customer purchases Kapal Api coffee products at least twice. In that case, it will affect their loyalty as a customer for consumption in the long term so that the experience can be formed to make regular purchases, also from the perceived low cost so that customer loyalty can be created. Loyalty to the product will certainly increase purchasing behavior and can become even greater. The research results are in line with research conducted by Prabowo & Salim (2023), Abdulrahman (2022), and Dachi (2020), stating that research results show that purchasing decisions have a positive and significant effect on customer loyalty. Therefore, the more it is served

according to customer needs, the higher the decision process for purchasing Kapal Api coffee products.

The Influence of Customer Satisfaction on Customer Loyalty

The research results prove that customer satisfaction has a positive influence on the halal label. From the results of this research, it can be concluded that the two are proven to be in the same direction if the more satisfied the customer is, the higher the customer loyalty in consuming Kapal Api coffee products, so that they always remember the product and always use it in the long term. The research results are in accordance with the research of Susanti (2019), and Yusuf et al. (2021), showing research results that customer satisfaction has a positive and significant effect on customer loyalty.

The Influence of the Halal Label on Customer Loyalty through Purchasing Decisions as an Intervening Variable

The research results show that purchasing decisions can partially mediate the relationship between the influence of halal labels on customer loyalty. Thus, increasing customers' buying desires will, of course, increase the possibility of their purchasing behavior in consuming, so the greater buying intention will lead to loyalty behavior. The results of this research are in accordance with research conducted by Susanti et al. (2018), and Dachi (2020) concluded and showed the results that the halal label variable had a positive and significant effect on customer loyalty, the halal label variable had a positive and significant to purchasing decisions, and the purchasing decision variable has a positive and significant effect on customer loyalty. Basically, the safety and guarantee of Halal Kapal Api coffee products will make customers make bigger purchases so that it will have a positive impact on customers who can feel loyalty starting in terms of loyalty in accordance with the correlation of indicators, perceived low costs, and payment experience from the customer. have been felt, and external influences and interpersonal influences that can be felt to subscribe to the product.

The Effect of Halal Labels on Customer Loyalty through Satisfaction as an Intervening Variable The research results show that customer satisfaction cannot be mediated by the influence of the halal label on customer loyalty. Suppose customer satisfaction has been fulfilled as a good testimonial. In that case, it will increase customer loyalty. However, from the results obtained, it is proven that the halal label plays a minor role in customer satisfaction to become customer loyalty to the product. The research results are in line with research conducted by Hapsari (2018) shows that the label variable does not have a positive and significant effect on customer loyalty through customer satisfaction as an intervention.

6. Conclusion

Based on the analysis results, the halal label has a positive and significant effect on purchasing decisions and customer loyalty, but does not have a significant effect on customer satisfaction. Purchasing decisions also have a positive and significant influence on customer loyalty, while customer satisfaction also has a positive and significant influence on customer loyalty. Apart from that, the halal label also has a positive effect on customer loyalty through purchasing decisions.

Purchasing Decisions mediate the Halal Label on Customer Loyalty and have a positive and significant effect. This finding means that the Kapal Api coffee product has a clear halal label on it because customers always prioritize products with a halal mark to ensure that the product is safe for consumption in the long term. In the process of deciding to buy Kapal Api coffee products, post-purchase behavior occurs, and they can feel loyal/loyal to the product. Customer Satisfaction is not mediated by the Halal Label by Customer Loyalty. It can be interpreted that dissatisfied customers will only become loyal customers if they need innovation in their lives, such as experiencing one brand over another. Therefore, it also correlates that the halal label is indeed safe for consumption. However, customers buy products from external influences and are only sometimes based on themselves, resulting in a lack of customer satisfaction or even loyalty.

Suggestion

Based on these conclusions, the author provides several suggestions to PT. Santos Jaya Abadi, the producer of Kapal Api coffee, is to, among other things, emphasize the halal label on product packaging, improve the taste and quality of the product, and strengthen marketing strategies to attract more customers. Additionally, it is important to continue to innovate in conveying information to customers and consider additional factors that can influence customer loyalty. For future researchers, it is recommended to expand the scope of research by developing the population and sample, as well as adding new variables that are relevant to the findings in this research.

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